



AN BILLE TALUN (Uimh. 2), 1952.  
LAND (NO. 2) BILL, 1952.

EXPLANATORY MEMORANDUM.

The provisions of this Bill, which proposes to amend and extend the Land Purchase Acts, may be classified as follows:—

- (1) Land bond provisions—
  - (a) authorising (section 2 (1)) the creation of interest-bearing land bonds not conditioned to the 3%-4% limits in force under the Land Bond Act, 1934,
  - (b) increasing the total amount of land bonds that may be created under the Land Bond Act, 1934, from £10,000,000 to £15,000,000 (section 3), and
  - (c) effecting consequential amendments, in regard particularly to the rate of annuity (and component interest and sinking fund) to be payable by future tenant-purchasers (subsections (2) to (6) of section 2 and sections 4, 5 and 6). It is inevitable in future cases that the annuity rate should be brought into line with the interest rate necessary for land bonds.
- (2) Extension of the time within which application may be made under the Land Act, 1950, for redetermination of the price of certain land (section 7).
- (3) Miscellaneous minor provisions which experience has shown to be necessary to facilitate the administration of previous Land Acts (sections 8 to 19). A further Land Bill to deal with such provisions was envisaged when the Land Act, 1950, was introduced.

The effect of the various provisions is as follows:—

*Section 1* contains the usual provisions for the short title of the Act and its construction and citation with the Land Purchase Acts.

*Section 2 (1)* deletes the limits on the rates of interest on land bonds in the Land Bond Act, 1934. Under that Act, land bonds are created by order of the Minister for Finance who is required, when fixing the rate of interest for a series of bonds, to have regard to Stock Exchange quotations with a view to fixing a rate which will secure that the market price of the bonds will be at or near par for a reasonable time after creation of the series. The maximum rate of interest permitted by the Land Bond Act, 1934, is 4%, which is not at present sufficient to maintain the market price of land bonds at or near par.

*Section 2 (2)*, envisaging the fixation of a higher rate of annuity, adapts existing statutory references to the rate of  $4\frac{3}{4}\%$  which has operated since 1923 and *subsections (3) and (4)* similarly adapt references to  $4\frac{1}{2}\%$  interest and  $\frac{1}{4}\%$  sinking fund rates which are applicable only to  $4\frac{1}{2}\%$  land bonds and therefore need to be adapted from the passing of the Land Bond Act, 1934. The annuity rate is fixed by the Land Bond Order creating each series of land bonds and is the sum of the rates of interest and sinking fund payable into the Land Bond Fund in respect of bonds of the series. Thus the rate of  $4\frac{3}{4}\%$  related to the latest issue of land

bonds is made up of 4% interest and  $\frac{3}{4}$ % sinking fund. Any higher annuity rate that may be fixed by a future Land Bond Order will, of course, apply only to lands purchased by means of bonds created by that Order. The existing law limiting the liability of tenant-purchasers to 50% of ordinary annuity payments will continue to apply to future cases as well as to cases already dealt with.

*Section 2 (5)* provides for fixation of the annuity rate by direction of the Minister for Finance where land which is not subject to an annuity is vested in the Land Commission under certain provisions. This is necessary because land bonds are not issued in respect of the land in question and consequently the annuity rate fixed by a Land Bond Order does not apply. Where land which is subject to an annuity is similarly vested in the Land Commission, the Minister for Finance is already empowered by section 10, Land Act, 1950, to prescribe the annuity rate for any new advance made.

*Section 2 (6)* avoids different annuity rates for individual tenanted holdings in certain cases by ensuring that additional land bonds issued will bear the same rate of interest as the original bonds.

*Section 3* increases the total amount of land bonds that may be created and issued under the Land Bond Act, 1934, from £10,000,000 to £15,000,000. Bonds already created under that Act total £6,802,000 made up of £5,755,000 4%, £755,000  $3\frac{1}{2}$ % and £292,000 3% bonds.

*Section 4* inserts additional words in sections 3 and 4 of the Land Bond Act, 1934, for greater precision. Those sections deal with the making of advances in land bonds and the creation of land bonds by order of the Minister for Finance.

*Section 5* is analogous to *section 2 (6)* inasmuch as it ensures that additional land bonds issued in another type of case will bear the same rate of interest as the original bonds. The type of case in question is that in which untenanted land in process of acquisition is so urgently required that it is taken over by the Land Commission before the price is agreed upon or finally fixed. A provisional price is declared and land bonds issued and, if the price finally fixed is higher, additional bonds are issued. Such additional bonds have always borne the same rate of interest as the original bonds and this is retrospectively confirmed by the section.

*Section 6* provides that the purchase money of tenanted land will in future be paid in land bonds of the series current on the date on which the land vests in the Land Commission. Hitherto the relevant series of bonds has been determined by the date on which statutory particulars were lodged or an application for admission under the Land Acts was granted, but the date of vesting in the Land Commission is considered more appropriate.

*Section 7* extends the time within which application may be made for redetermination of the price determined before the 19th June, 1950, for untenanted land of which the Land Commission did not take possession before the 1st December, 1949; an application may be made before the 1st November, 1953, or, where the Land Commission take possession after the 1st May, 1953, before the day which is six months after the date on which possession is taken. The original time limit expired on the 19th December, 1950, six months after the passing of the Land Act, 1950.

*Section 8* provides that, where the Land Commission resume a holding, the tenant's interest in the holding automatically vests in them on the date on which they take possession and that all claims against the tenant's interest attach to the resumption price. If possession of a holding which the Land Commission are authorised

to resume is refused, they may proceed in the same manner as in the case of untenanted land vested in them (*subsection (2) (a)*).

*Section 9* supplements section 13, Land Act, 1939, under which the Land Commission are entitled, where there is delay in obtaining possession of lands, etc., to recover payments for which they incur liability before obtaining possession, viz., interest on the purchase money, rates, and costs and expenses of getting possession. The existing provisions neither extend to interest and rates for the period (if any) between the date of vesting of the land in the Land Commission and the date of lodgment of the purchase money nor specifically indicate that purchase money includes a provisional price; the section covers these points. The moneys payable to the Land Commission are recoverable out of the land bonds representing the purchase money or compensation and the section provides for the sale of sufficient of the bonds to produce the required amount.

*Section 10* is complementary to section 13, Land Act, 1939, and enables the Land Commission to recover moneys out of cash representing the resumption price of a holding where there is delay in obtaining possession. The moneys in question are costs and expenses incurred in getting possession and interest on the resumption price from the date of lodgment to the date of possession.

*Section 11 (1)* also relates to the cash resumption price of a holding and indicates how rates up to the date on which the Land Commission enter into occupation may be paid; a similar provision already applies where the resumption price is payable in land bonds.

*Section 11 (2)* extends the application of existing provisions for apportionment of rates to holdings resumed by the Land Commission which are not separately rated; the provisions already apply to untenanted land vested in the Land Commission.

*Section 12* deals with certain holdings on estates of the late Congested Districts Board which are not vested in the tenants. Lists of such holdings may be published and, in consequence of the listing, credit is allowed for the sinking fund element in payments to the Land Commission before vesting; otherwise the entire payments would be treated as interest. To avoid actual publication the section deems holdings to be comprised in lists. Corresponding provisions exist for parcels of untenanted land (*section 33, Land Act, 1936*).

*Section 13* facilitates the vesting in tenant-purchasers of certain land to which the existing vesting order provisions of the Land Acts do not extend. The main purpose of the section is to facilitate the completion of legal formalities after rearrangement of holdings. The general right of objection to a vesting order, which is enshrined in the Land Act, 1931, will continue to apply.

*Section 14* removes doubts as to the power of limited administrators and nominees to transfer and deal with registered land. Such administrators and nominees are appointed by the Land Commission for the purposes of proceedings under the Land Purchase Acts where registered owners are deceased or not available.

*Section 15* remedies deficiencies in existing provisions for execution of certain orders by county registrars and sheriffs. *Subsections (1) and (2)* cover orders of the Lay Commissioners awarding costs of one party against another party to proceedings; *subsection (1)* enables the county registrar or sheriff to levy his fees and expenses in addition to the amount specified in an order and *subsection (2)* authorises the issue of an execution order for any unpaid part of costs awarded. *Subsection (3)* merely modernises references to "under-sheriff".

*Section 16* establishes that the power to amend lists of congested districts holdings and lists of holdings on untenanted land includes power to cancel the listing of a holding whether actually listed or deemed to be listed.

*Section 17* relates to annuities for repayment of advances made to facilitate certain owners by admitting their lands under the Land Purchase Acts. Such annuities are excepted from revision under the Land Act, 1933, and are payable in full. The land first vests in the Land Commission and is subsequently vested in the repurchasing owner or in his successor if there should in the meantime be a devolution of his interest. The advance is made on final vesting and, if made to a person other than the repurchasing owner, the annuity thereon would, under the existing provision but contrary to its intention, qualify for revision. The section therefore secures that the annuity will be payable in full whether the advance is made to the owner who originally applied for it or to any of his successors or assigns.

*Section 18* confirms that, when the Land Commission resume a holding on which a funding annuity for repayment of arrears is charged, the funding annuity is redeemable out of the resumption price, whether payable in cash or in land bonds; the provision being amended referred only to land bonds.

*Section 19* makes a minor verbal amendment in a provision relating to partition of commonages.

*Roinn Tailte (Coimisiún na Talún).*  
*Márta, 1953.*